

**AQAA**  
**DAR COUNCIL ACTIVITY REPORT**  
**26 March 1997**

**FAR/DFARS Cases Discussed:**

97-003	<b>Federal Tax Reporting Requirements:</b> Clarifies requirements for the reporting of contract information and payment information to the IRS.	Agreed to final rule.
91-056	<b>Environmental Cost Principle:</b> Determines need for an environmental cost principle.	Agreed to close case with no changes to FAR.
96-D328	<b>Preference for US Firms on MILCON Overseas Construction Contracts:</b> Implements section 112, PL 104-196, which provides a 20% preference for U.S. firms on all contracts estimated by the Government to exceed \$1 million for MILCON projects in the U.S. territories and possessions in the Pacific and countries bordering the Arabian Gulf.	Agreed to convert interim to final rule w/o change.
96-D329	<b>Restrictions on MILCON Overseas A-E Contracts:</b> Implements section 111, PL 104-196, which provides that no funds may be obligated for A-E contracts estimated by the Government to exceed \$500,000 for certain projects unless such contracts are awarded to U.S. firms or U.S. firms in joint ventures.	Agreed to convert interim to final rule w/o change.
96-012	<b>Foreign Differential Pay:</b> Deletes the prohibition on the direct calculation of actual increased income taxes as part of an employee's allowable foreign differential pay.	Agreed to convert interim to final rule w/o change.
96-606	<b>Modification of Existing Contracts:</b> Implements section 4402(d) of the FARA of 1996 (PL 104-106) which provides for modification of existing contracts without requiring consideration, upon request of the contractor.	Agreed to convert interim to final rule w/o change.
96-D017	<b>Information Technology Management Reform Act (ITMRA):</b> Revises DFARS to correspond to the revised FAR language.	Agreed to convert interim to final rule w/o change.

**NOTE:** DAR Council discussed FAR Part 15 Rewrite and came to general agreement on a DoD position.